

**Title 20 – DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND  
PROFESSIONAL REGISTRATION  
Division 600 – Statistical Reporting  
Chapter 1 – Reports Other Than Annual Statement and Credit Insurance**

**EMERGENCY RULE**

**20 CSR 600-1.030 Medical Malpractice Statistical Data Reporting**

*PURPOSE:* This rule establishes reporting requirements for medical professional liability insurers pursuant to 383.105 - 383.124, RSMo Supp. 2006.

*EMERGENCY STATEMENT:* This emergency rule is necessary to preserve the public welfare of Missouri citizens by ensuring that medical professional liability insurers comply with and understand their obligations established by sections 383.105 – 383.125, RSMo. Section 383.106.2, RSMo Supp. 2006 requires that the department establish risk reporting categories and regulations for the reporting of base rates and premiums charged in those established risk reporting categories prior to May 30, 2007. As a result, the Missouri Department of Insurance, Financial Institutions and Professional Registration finds an immediate danger to the public welfare and a compelling governmental interest which requires emergency action. The scope of this emergency rule is limited to the conditions creating the emergency and complies with the protections extended in the **Missouri and United States Constitutions**. In developing this emergency rule, an actuarial firm and insurance industry representatives were consulted on multiple occasions between August 2006 and May 2007. Initially, the department consulted interested parties regarding data elements and insurers' current information systems capabilities. A draft of the rules and forms was distributed to key insurers in November 2006. The department met with two insurers in December 2006 to discuss the proposed drafts. Between January 2007 and May 2007, the department corresponded with the American Academy of Actuaries to discuss how to best implement the statutory mandate while minimizing the industry impact. In February 2007, the department hired a new actuary to assist with the implementation of this rule. After multiple consultations and several drafts, the department developed the reporting forms, codebook and risk reporting categories which are incorporated by reference in this emergency rule. The department believes this emergency rule is fair to all interested persons and parties under the circumstances. A proposed rule, which covers the same material, is published in this issue of the **Missouri Register**. This emergency rule was filed May 18, 2007, effective May 29, 2007 and expires February 28, 2008.

(1) Definitions. When used in this regulation --

(A) "Base rate" means the rate designed to reflect the average aggregate experience of a particular market, prior to adjustment for individual risk characteristics resulting from application of any rating plan.

(B) "Base rate data" means the premium and rate information that insurers are required to report pursuant to section 383.106.2, RSMo Supp. 2006.

(C) "Health care provider" means health care provider as defined in section 383.100.2, RSMo Supp. 2006.

(D) "Medical malpractice insurance" means medical malpractice insurance as defined in section 383.100.3, RSMo Supp. 2006.

(E) "Insurer" means insurer as defined in section 383.105.3, RSMo Supp. 2006, and includes all providers of medical malpractice coverage to any health care provider for claims arising from the practice of medicine in the state of Missouri.

(2) Risk reporting categories to be used by insurers

(A) The director shall establish prior to May 30, 2007 appropriate categories and risk classifications for the reporting of data under this section. These categories and risk classifications shall include, but not be limited to: rating territory and county of practice, policy and coverage types, policy limits, deductibles, practitioner risk or rating classification, medical specialty classifications, and other such categories as may be necessary to meaningfully evaluate the medical malpractice insurance market.

(B) Risk Reporting Categories (Form MM7), Revised May 2007, is published by the department.

(3) Base rate data

(A) On September 30, 2007, each insurer shall file with the department a Base Rate Data report (Form MM5).

(B) Upon any change of base rates after September 30, 2007, and before use of the changed base rates, insurers shall file a Base Rate Data report (Form MM5) with the department. Reports shall be made in a form and manner prescribed by the director.

(4) Data filing, verification and integrity standards

(A) Any insurer that fails to timely file complete and accurate reports for all data required by this regulation will be subject to penalties appropriate for a level 2 violation as established in section 383.124, RSMo Supp. 2006. Insurers may also be subject to additional penalties arising from section 374.215, RSMo 2000.

(B) All data submissions must be completed in full. Partial or incomplete submissions will be considered a failure to file for the purposes of this regulation, and may subject the insurer to penalties for failure to file.

(C) Insurers must develop a non-arbitrary and reasonable methodology to accurately report all data elements, and make such methodology available to the department upon request.

(D) The department shall periodically gather such information from insurers as may be reasonably necessary to ensure that data reported to the department under this regulation is accurate, complete, valid, and correctly represents the costs and expenses associated with the claims reported, premiums charged, and practitioners insured. Such information may include, but is not limited to, coding schema or classifications relevant to required reporting categories, information related to the derivation of various amounts reported, or information related to the completeness, accuracy, and integrity of reported data.

(5) Form and Risk Reporting Categories

The following form and risk reporting categories have been adopted and approved for filing with the department in accordance with this rule and are incorporated by reference:

(A) Base Rate Data (Form MM5), Revised May 2007, or any form which substantially comports with the specified form;

(B) Risk Reporting Categories (Form MM7), Revised May 2007.

The above form and risk reporting categories are published by the Missouri Department of Insurance, Financial Institutions and Professional Registration, P.O. Box 690, Jefferson City, Missouri 65102. The forms do not include any amendments or additions. The forms are available at the department's office in Jefferson City, Missouri, on the department website, [www.insurance.mo.gov/industry/forms/index.htm](http://www.insurance.mo.gov/industry/forms/index.htm), or by mailing a written request to the Missouri Department of Insurance, Financial Institutions and Professional Registration, PO Box 690, Jefferson City, Missouri 65102.

(6) Data collected pursuant to this rule will be used by the director to establish and publish a market rate charged by insurers in accordance with section 383.107, RSMo Supp. 2006. The department will maintain data confidentiality to the extent required by state and federal law.

*AUTHORITY: Section 383.206.6, RSMo Supp. 2006. Emergency rule filed May 18, 2007, effective May 29, 2007, expires February 28, 2008. Original rule filed May 18, 2007.*